

# City Council Meeting

## June 17, 2014



## Fiscal Year 2014-15 Budget Adoption

# *Budget Highlights*

- Budget is structurally balanced
  - Covers 42 funds, including the General Fund
- Economic growth continues
- No State take-aways expected
- Several challenges still ahead
  - Pension costs
  - Deferred maintenance
- Will return to Council with quarterly updates

# 2014-15 Budget Overview

Balanced budget covering all funds:

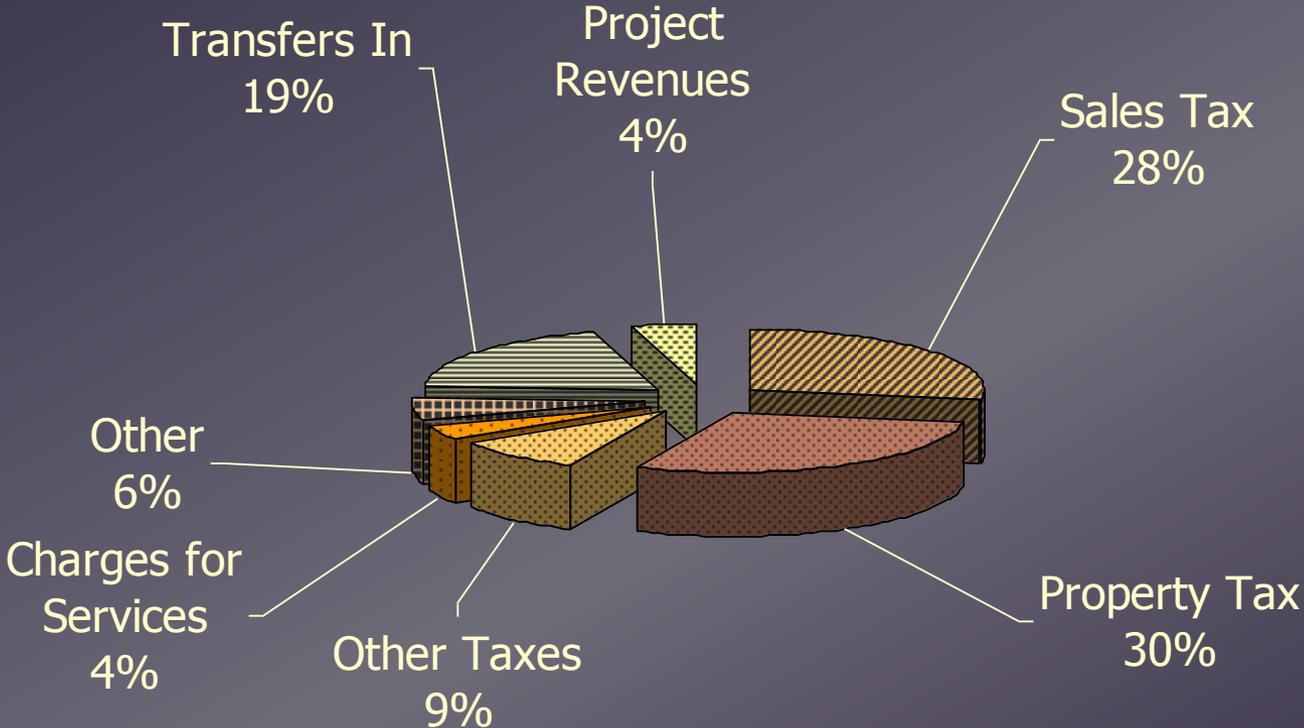
Fund Type	Expenditures	Revenues
General Operating Funds (includes General Fund)	\$ 45.48M	\$ 46.79M
Enterprise Funds	\$ 15.04M	\$ 10.91M
Special Purpose Funds	\$ 15.96M	\$ 16.47M
Internal Service Funds	\$ <u>7.16M</u>	\$ <u>8.15M</u>
Total (Including Transfers & Interfund Charges)	\$ 83.64M	\$ 82.32M
Less: Transfers & Inter-fund Charges	<u>(\$ 21.45M)</u>	<u>(\$21.36M)</u>
Total 2014-15 Budget	\$ <u>62.19M</u>	\$ <u>60.96M</u>

# General Fund Revenues

## General Fund- Sources of Revenue:

Revenue	2014-15
Property Tax	\$ 9.99M
Sales Tax	\$ 9.60M
Transfers In	\$ 6.73M
Other Taxes	\$ 3.22M
Other Revenues	\$ 2.15M
Project Revenues	\$ 1.54M
Charges for Services	\$ 1.42M
Total Revenues	<u>\$ 34.65M</u>

# General Fund Sources of Revenue



# *General Fund Revenues*

## *Sales and Property Tax*

### Sales Tax Revenue:

- Consistent growth over last four years
- 2013-2014 Estimated Year-End = \$9.25M
- 2014-2015 Preliminary Budget = \$9.60M
- Projecting approximately 4% growth

### Property Tax Revenue:

- Growth has been slow, but consistent
- 2013-2014 Estimated Year-End = \$9.62M
- 2014-2015 Preliminary Budget = \$9.99M
- Projecting approximately 4% growth

# *General Fund Revenues*

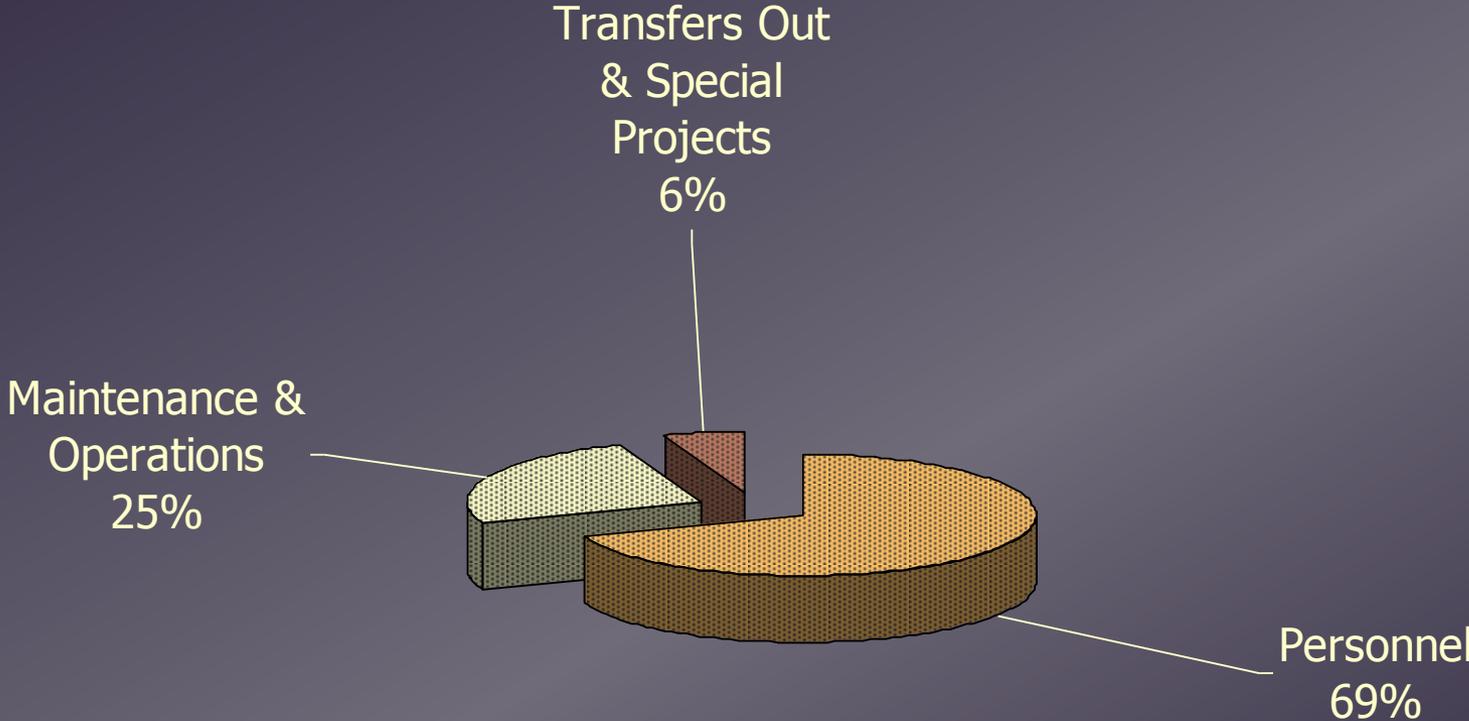
- Other major revenues:
  - Occupancy tax = \$1.54M (growth of 3%)
  - One-time grant project revenues = \$1.2M
- Other revenues continue to grow, but at a slow pace
- Some fee increases and new fees have been incorporated into the budget

# *General Fund Expenditures*

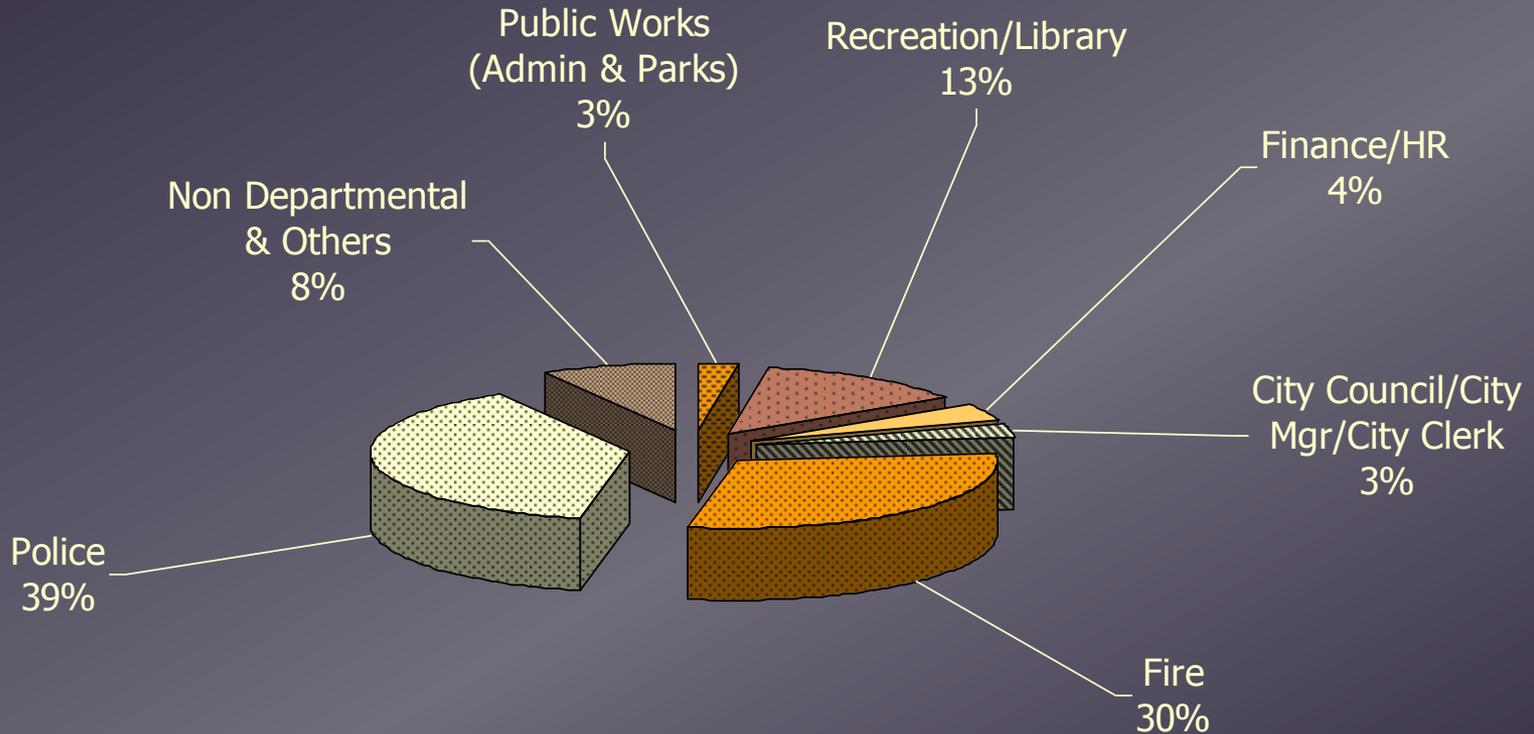
## General Fund Budgeted Expenditures:

Expenditure Type	2014-15
Personnel	\$22.80M
Maintenance & Operations	\$ 8.32M
Special Projects	\$ .48M
Transfers Out	<u>\$ 1.37M</u>
Total	<u>\$32.97M</u>

# General Fund Expenditures By Type



# General Fund Expenditures By Category



# Other City Funds 2014-15 Budget

41 funds covering all discretionary and restricted revenue sources and expenditures

Fund Type	Expenditures	Revenues
General Operating Funds	\$ 5.86M	\$ 7.89M
Enterprise Funds	\$ 10.93M	\$ 9.04M
Special Purpose Funds	\$ 13.89M	\$ 15.08M
Internal Service Funds	\$ <u>6.81M</u>	\$ <u>7.92M</u>
Total 2014-15 Budget	\$ <u>37.49M</u>	\$ <u>39.93M</u>

*Amounts above exclude inter-fund transfers*

# Other Fund Highlights

- General Fund will provide support to the following funds/programs:

Asset Forfeiture Fund	Retirement Fund
Monrovia Area Partnership (MAP)	Monrovia Public Library
Comm. Dev. Block Grant (CDBG)	

- Positive outlook for Worker's Compensation and Unemployment Funds
  - Reduction in City-wide rate:
    - Worker's Comp. = 25%; Unemployment = 55%
  - City-wide savings:
    - Worker's Comp. = \$359K; Unemployment = \$42K
- Have incorporated all debt obligations
- Will continue to pursue grant funding, whenever possible

# *Capital Improvement Program Projects*

The following projects are incorporated into the budget:

- Building Facility Improvements - \$200,000 in annual expenditures for facility projects
  - Boys and Girls Club HVAC Repairs
  - Fire Station 103 Roof Repair
  - Community Center Upgrades
  - Canyon Park
  - Historical museum
- \$100,000 set aside annually for reserves
- Tree trimming catch up program
- Bus stop improvements (Prop A)
- Annual street resurfacing

# *Ongoing Challenge #1: Pension Costs*

- Pension Costs
  - Increases projected for the upcoming years
- How are we addressing?
  - All employees currently paying employee share
    - \$1.6M savings annually; more than \$4M savings over last five years
  - Working with group of other cities to ensure that Agency portion of pension override goes back to City and not to taxing entities
  - Will realize savings from PEPRA
    - Most savings realized in future years
    - Estimated savings = \$90K in 13-14; \$180K in 14-15

# *Ongoing Challenge #2: Deferred Maintenance*

- Water, sewer, and storm drain will be handled separately
  - Water and Sewer Master Plan incorporated in budget
- Other costs total \$9.6M
  - Includes streets, sidewalks, building facilities, parks, and parking lots
  - Will return with prioritization list in late July/early August
  - Will continue discussions regarding funding options.  
Possibilities include:
    - Use of current revenues
    - Use of reserves
    - Financing

# *Fees and Charges*

- Annual review by departments
- Fees set by statute, survey, and cost recovery
- Cost of providing service always compared to fee charged
- For FY 2014-15:
  - 6 new fees
  - 36 fee changes
  - Fees discussed at May 27<sup>th</sup> study session

# *Fees and Charges*

## New Fees

<b>Service Description</b>	<b>New Fee</b>
<u>Community Development</u>	
Residential Solar Permits	\$225
Historic Preservation – Demolition Review	\$230
Historic Commercial Downtown – Design Review	\$825
Mills Act Contract Time Extension	\$230
<u>Community Services – Recreation*</u>	
Parking Fees at Canyon Park: Automobile – Weekend & Holiday Rates	\$6
<u>Public Works</u>	
Sewer Service Monthly Fees (without water service)	\$9.09

*\* All Community Services Fees have been approved by the Community Services Commission.*

# *Fees and Charges*

## Fee Changes

<b>Service Description</b>	<b>Old Fee</b>	<b>New Fee</b>
<u>Community Development</u>		
Major Conditional Use Permit Review – All Others	\$1,155	\$1,250
Major Conditional Use Permit Review – New Construction	\$2,215	\$2,400
Minor Conditional Use Permit Review	\$460	\$500
Conditional Use Permit Amendment	\$960	\$1,050
Major Variance Review	\$1,155	\$1,500
Exceptions Review	\$315	\$340
General Plan/Zoning Amendment Review & Revision	\$2,225	\$4,765
Environmental Negative Declaration	\$850	\$4,350
Zoning Research Letter: Standard (zoning, lot size, uses allowed, etc)	\$50	\$55
Misc Dev. Review – Single Family Addition	\$142	\$155
Misc Dev. Review – Single Family New	\$170	\$185
Misc Dev. Review - Office/Comm'l/Ind'l/Multi Fam Resid 2+ with DRC - Recommendation	\$340	\$370
Misc Dev. Review - Office/Comm'l/Ind'l/Multi Fam Resid 2+ with DRC - Decision	\$755	\$825

# *Fees and Charges*

## Fee Changes

<b>Service Description</b>	<b>Old Fee</b>	<b>New Fee</b>
<u>Community Development (Cont.)</u>		
Misc Dev. Review – Other	\$115	\$125
Historic Preservation – Mills Act	\$495	\$780
Historic Preservation – Designation Fee	\$285	\$500
Historic Preservation – Cert. Appropriateness	\$105	\$250
Publication Fee	\$108	\$159
Wireless Facility – Minor CUP	\$1,130	\$2,160
Wireless Facility – Major CUP	\$2,770	\$4,000
Wireless Facility – Exception	\$1,715	\$2,098
Wireless Facility – ROW – Minor CUP	\$1,530	\$3,150
Wireless Facility – ROW – Major CUP	\$3,025	\$4,935
Wireless Facility – Administrative Review	\$950	\$1,450
Film Permit Review – Issuance Fee	\$855	\$500
Special Event Permit	\$50	\$25

# *Fees and Charges*

## Fee Changes

<b>Service Description</b>	<b>Old Fee</b>	<b>New Fee</b>
<u>Community Services - Recreation</u>		
Parking Fees at Canyon Park: Bus – Daily Rate	\$10	\$15
Parking Fees at Canyon Park: Parking Pass – Annual	\$55	\$60
General Facility Rentals: Band shell (Priority I Rate)	\$80	\$90
General Facility Rentals: Band shell (Priority II Rate)	\$60	\$67
General Facility Rentals: Recreation Park Gazebo (Priority I Rate)	\$65	\$75
General Facility Rentals: Recreation Park Gazebo (Priority II Rate)	\$50	\$56
<u>Community Services – Library</u>		
DVD Rental	\$2	\$1
Proctor Testing	\$20	\$30
<u>Public Works</u>		
Residential Waste Impact Fee	\$2.47	\$2.50
<u>Administration - Finance</u>		
Returned Payment Fee	\$30	\$25

# *Budget Summary*

- City-wide budget balanced for 2014-15
- Balanced budget achieved through:
  - Cost containment
  - Employee contributions towards pension costs
  - Minimal increase in M & O budgets
- Will continue to discuss deferred maintenance (project priority and funding)
- Will meet for quarterly updates

# *2014-15 Fiscal Year Budget*

## Questions and Answers

# City Council Meeting

## FY 2014-15 Budget Adoption



June 17, 2014